11 FN 10 LIBYA

Department of State TELEGRAM

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EXCISE

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ACTION AF-13

INFO OCT-01 RSR-01 ARA-08 EUR-14 EA-11 NEA-09 E-11 INT-06
COM-08 OEP-01 L-03 CIAE-00 DODE-00 INR-06 NSAE-00
P-03 RSC-01 USIA-12 PRS-01 TRSE-00 /109 W
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R 230800Z NOV 71
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC 8245
INFO USINT ALGIERS
AMEMBASSY BEIRUT
AMEMBASSY BENGHAZI
AMEMBASSY BONN
AMEMBASSY CARACAS
AMCONSUL DHAHRAN
AMEMBASSY DJAKARTA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY LAGOS
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY TEHRAN
AMEMBASSY THE HAGUE
AMEMBASSY TOKYO
AMEMBASSY TUNIS
AMEMBASSY VIENNA
USEC BRUSSELS 102
US OECD PARIS UNN

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY [redacted] DATE 6/22/81
PORTIONS DENIED AS INDICATED

C O N F I D E N T I A L TRIPOLI 2154

SUBJ: OIL COMPANIES' CHALLANGE TO LIBYAN FOREIGN EXCHANGE RULING

REF: TRIPOLI 2147

1. OIL COMPANY REPS HAVE NOW RETURNED FROM MEETINGS WITH LONDON WORKING GROUP. [redacted] GAVE EMBOFF NOV 22 FOLLOWING SUMMARY OF GROUP'S DECISIONS RE TACTICS VIS-A-VIS THE LARG: B4

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A) ALL COMPANIES WILL STAND FIRM AGAINST [redacted] B4
[redacted] THE MABRUK/MUNTASSIR PAY-NOW-SETTLE-LATER PLAN; THAT IS, ALL COMPANIES HAVE AGREED NOT TO PAY ACCORDING TO LARG'S RECOMPUTATION OF PAYMENTS FORMULA. LARG, AS IT DID LAST MONTH WITH ESSO, WILL HAVE TO TAKE FUNDS BY FORCE MAJEURE.

B) COMPANIES, INCLUDING ESSO, WILL ATTEMPT TO CONDUCT BUSINESS AS USUAL. THEY WILL NOT BEEF UP THEIR BANK ACCOUNTS IN ANTICIPATION OF ATTACHMENT [redacted] B4

C) ESSO PLANS PRESENT TO MINISTRY OF PETROLEUM NOV 23 OR 24 DETAILED LETTER OF PROTEST.

D) [redacted] B4 DECISION WAS MADE TO FOLLOW WATCH-AND-WAIT POLICY UNTIL NOV 29, WHEN FINAL DECISION WOULD BE MADE ON AMOUNT OF NOV PAYMENT TO LARG.

2. [redacted] MENTIONED HE UNDERSTOOD OMAR AL BADRI, DIRECTOR GENERAL, ECONOMICS DEPT, MINISTRY OF PETROLEUM, LEFT NOV 22 FOR VIENNA TO JOIN MUNTASSIR, UNDER SECRETARY, MINISTRY OF PETROLEUM, IN OBSERVING PETROLEUM DISCUSSIONS THERE. GP-4. B4
PALMER